

CATAHOULA PARISH CLERK OF COURT

Component Unit Financial Statements **JUNE 30, 2007**

Under provisions of state law, this report is a public document. Acopy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/25/08

CATAHOULA PARISH CLERK OF COURT Harrisonburg, Louisiana

Component Unit Financial Statements As of and for the Year Ended June 30, 2007

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INDEPENDENT AUDITOR'S REPORT

Honorable Janet T. Payne Catahoula Parish Clerk of Court Harrisonburg, Louisiana

We have audited the accompanying basic financial statements of the governmental activities, the major fund, and the fiduciary activities of the Catahoula Parish Clerk of Court, component unit of Catahoula Parish Police Jury as of and for the fiscal year ended June 30, 2007 which collectively comprise the Catahoula Parish Clerk of Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Catahoula Parish Clerk of Court, management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The advance deposit fund has been presented on the cash basis of accounting which is a basis of accounting other than accounting principles generally accepted in the United State of America.

In our opinion, except for the presentation of the advance deposit fund on the cash basis as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the major fund, and the fiduciary activities of the Catahoula Parish Clerk of Court, Harrisonburg, Louisiana, as of and for the fiscal year ended June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated July 20, 2007 on our consideration of Catahoula Parish Clerk of Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

John R. Vercher PC

July 20, 2007 Jena, Louisiana

Catahoula Parish Clerk of Court

Honorable Janet Payne, Clerk

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MANAGEMENTS DISCUSSION AND ANALYSIS

The basic financial statements of the Catahoula Clerk of Court include the general fund (main operating account) and two agency funds (advance deposit account and registry of court fund) where the clerk's office acts in fiduciary manner collecting monies and dispersing them at the court's instructions.

FINANCIAL HIGHLIGHTS

- The assets of the Clerk exceeded its liabilities at the close of the most recent fiscal year by \$72,356 (net assets). Of this amount, \$65,069 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Clerk had total revenue of \$435,121, which is a \$57,089 increase from last year's revenues.
- The Clerk had total expenditures of \$414,577, which is a \$39,083 increase from last year's expenditures.
- At the end of the current fiscal year, the Clerk had a net change in fund balance of \$20,544, resulting in an ending fund balance of \$65,069.

OVERVIEW OF THE FINANCIAL STATEMENTS:

This annual report consists of three parts – management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include one kind of statement listed below.

General Fund

The General Fund, as provided by Louisiana Revised Statute (R.S.) 13:781, is the principal fund of the clerk of court and accounts for the operations of the clerk's office. The various fees and charges due to the clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Agency Fund

The Advance Deposit, Registry of Court Agency Funds and Royalty Fund account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

MANAGEMENTS DISCUSSION AND ANALYSIS - CONTINUED

Statement of Net Assets

The following table represents a condensed Comparative Statement of Net Assets as of June 30, 2007:

Assets	2006	2007	% Difference
Current Assets	\$ 47,003	\$ 68,552	45.8%
Capital Assets, Net	21,861	7,287	-66.7%
Total Assets	68,864	75,839	10.1%
Liabilities and Net Assets			
Current Liabilities	2,478	3,483	40.6%
Non-Current Liabilities	-0-	0-	0.0%
Total liabilities	2,478	3,483	40.6%
Net assets			
Invested in Capital Assets, Net of Related Debt	21,861	7,28 7	-66.7%
Unrestricted	44,525	65,069	46.1%
Total Net Assets	\$ 66,386	\$ 72,356	9.0%

Changes in Fund Balances

The following table reflects the condensed Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances for the year ended June 30, 2007:

		2006	2007	% Difference
Beginning Fund Balances	\$	41,987	44,525	6.0%
Total Revenues Total Expenditures	·	378,032 (375,494)	435,121 (414,577)	15.1% 1 0 .4%
Increase (Decrease) In Fund Balances		2,538	20,544	709.5%
Ending Fund Balances	\$	44,525 \$	65,069	46.1%

CONTACTING THE CLERK'S FINANCIAL MANGEMENT:

This financial report is designed to provide our citizens with a general overview of the Clerk's finances and to demonstrate the Clerk's accountability for the money it receives. If you have questions about this report or need additional information, contact Janet Payne, Clerk of the Catahoula Clerk of Court, PO Box 654, Harrisonburg, Louisiana 71340, at (318) 744-5497.

Basic Financial Statements

CATAHOULA PARISH CLERK OF COURT HARRISONBURG, LOUISIANA Statement of Net Assets June 30, 2007

	ernmental ctivities
Assets	
Cash	\$ 46,544
Investments	17,390
Receivables (Net of Allowances For Uncollectable)	4,618
Capital Assets (Net of Accumulated Depreciation)	7,287
Total Assets	 75,839
Liabilities	
Accounts, Salaries, & Other Payables	3,483
Total Liabilities	 3,483
Net Assets	
Invested in Capital Assets, Net of Related Debt	7,287
Unrestricted	65,069
Total Net Assets	\$ 72,356

CATAHOULA PARISH CLERK OF COURT HARRISONBURG, LOUISIANA Statement of Activities For the Year Ended June 30, 2007

NET (EXPENSES) REVENUES & CHANGES OF PRIMARY GOVERNMENT	Governmental Activities	\$ (594)	(594)	4,373 2,191 6,564	5,970	\$ 72,356
	Net (Expenses) Revenue	-	\$ (594)	unes	ts.	ing
PROGRAM REVENUES	Operating Grauts & Contributions	17,985		General Revenues Interest Income Other Income Total General Revenues	Change in Net Assets	Net Assets - Beginning Net Assets - Ending
PROGRAM	Charges for Services	410,572 \$	410,572 \$		J	E. E.
	Expenses	(429,151) \$	(429,151) \$			
		Governmental Activities General Government	Total Governmental Activities \$			

The accompanying notes are an integral part of this statement.

CATAHOULA PARISH CLERK OF COURT HARRISONBURG, LOUISIANA Balance Sheet, Governmental Funds June 30, 2007

		Governmental Activities
Assets		
Cash	\$	46,544
Investments		17,390
Receivables (Net of Allowances For Uncollectable)		4,618
Total Assets	_	68,552
Liabilities Accounts, Salaries, & Other Payables		·3,483
Total Liabilities	_	3,483
Fund Balances		
Unreserved Reported In General Fund	_	65,069
Total Liabilities & Fund Balances	\$	68,552

Reconciliation of The Government Funds Balance Sheet to the Government-Wide Financial Statement of Net Assets June 30, 2007

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund Balance, Total Governmental Funds (Statement C) \$ 65,069

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

7,287

Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Other

Other

72,356

Statement of Revenues, Expenditures & Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2007

	Governmental Activities	
Revenues		
Fees & Charges	\$	410,572
Interest Earnings		4,373
Local Grants		3,811
State Grants		14,174
Other		2,191
Total Revenues		435,121
Expenditures		
Personal Services		296,505
Operating Services		81,811
Travel & Professional Development		10,780
Intergovernmental		25,481
Total Expenditures		414,577
Net Change in Fund Balance		20,544
Fund BalancesBeginning	_	44,525
Fund Balances-Ending	\$	65,069

Reconciliation of The Statement of Revenues, Expenditures, & Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2007

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total governmental Funds, Statement E	\$ 20,544
Governmental funds report capital outlays as expenditure. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	-0-
The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these	
differences in the treatment of long-term debt and related items.	-0-
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures	
in governmental funds.	 (14,574)
Changes in Net Assets of Governmental Activities, statement B	\$ 5,970

CATAHOULA PARISH CLERK OF COURT HARRISONBURG, LOUISIANA Statement of Fiduciary Net Assets June 30, 2007

	_	Advance Deposit Fund	. <u>-</u>	Registry of Court Fund	~	Total
Assets						
Cash & Cash Equivalents	\$	348,442	\$	287,021	\$	635,463
Investments		78,000		-0-		78,000
Total Assets	_	426,442	-	287,021		713,463
Liabilities						
Held For Others Pending Court Action		426,442		287,021		713,463
Total Liabilities	_	426,442	- -	287,021	_	713,463
Net Assets	\$	-0-	\$	-0-	\$	-0-

Notes to the Basic Financial Statements

NOTES TO THE BASIC FINANCIAL STATEMENTS

INTRODUCTION

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the clerk of court serves as the ex-officio notary public; the recorder of conveyances, mortgages, and other acts; and has other duties and powers provided by law. The clerk of court is elected for a four-year term.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying basic financial statements of the Catahoula Parish Clerk of Court have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

The clerk of court is an independently elected official; however, the clerk of court is fiscally dependent on the Catahoula Parish Police Jury. The police jury maintains and operates the parish courthouse in which the clerk of court's office is located and provides funds for equipment and furniture of the clerk of court's office. Because the clerk of court is fiscally dependent on the police jury, the clerk of court was determined to be a component unit of the Catahoula Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the clerk of court and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The clerk of court uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

Governmental Funds

Governmental funds account for all or most of the clerk's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used of finance future period programs or operations of the Clerk of Court. The following are the clerk's governmental funds:

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

General Fund

The General Fund, as provided by Louisiana Revised Statute (R.S.) 13:781, is the principal fund of the clerk of court and accounts for the operations of the clerk's office. The various fees and charges due to the clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Fund

Fiduciary funds reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the clerk are the agency funds. The agency funds account for assets held by the clerk as an agent for litigants held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenue and other financing sources) and uses) i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of clerk operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The clerk considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on the general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Marriage licenses, fees, charges, and commissions for services are recorded in the year they are earned.

Interest income on time deposits is reported when the time deposits have matured and the income is available.

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources and Expenditures

Proceeds from and expenditures for the capital leases are recognized when received or due as an other financing source and expenditure.

Agency Fund

The Agency Fund statements and schedules have been prepared on the cash basis of accounting, with collections recognized when received and distributions reflected when paid. Generally accepted accounting principles require agency funds to be reported on the accrual basis.

Government-Wide Financial Statements (GWFS)

These statements include all the financial activities of the clerk. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement NO. 33, Accounting and Financial Reporting for Nonexchange Transactions.

Program Revenues

Program revenues are derived directly from clerk users as a fee for services; program revenues reduce the cost of the function to be financed from the clerk's general revenues.

Reconciliation

The reconciliation of the items reflected in the funds columns to the Statement of Activities (Statement B) and Statement of Net Assets (Statement A) are as follows:

- Capital Assets
- Depreciation

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

E. BUDGET PRACTICES

The administrative budget for the 2006 fiscal year was prepared on the modified accrual basis of accounting and published and made available for public inspection before the beginning of the fiscal year. All appropriations contained in the budgets lapse at year-end. The 2006 budget was amended.

Encumbrance accounting is not employed as management control devices. Budget amounts included in the accompanying financial statements are those included in the original budget with amendments, if any.

F. CASH & CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the clerk of court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. INVESTMENTS

Investments are limited by R.S. 33:2955 and the clerk of court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

I. ADVANCES TO OTHER FUNDS

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

J. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. The clerk maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings and building improvements	10 - 20 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 7 years

K. VACATION & SICK LEAVE

Employees of the Clerk's office earn two weeks of vacation leave and five days of sick leave each two years. The leave must be used in the two years earned. There are no accumulated and vested benefits relating to vacation and sick leave that require accrual or disclosure to conform with generally accepted accounting principles.

L. RESTRICTED NET ASSETS

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

- 1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
- 2. imposed by law through constitutional provisions or enabling legislation.

M. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

R.S. 13:785 requires that every four years (at the close of the term of office) the clerk of court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the clerk's last year of his term of office. At June 30, 2007, there was no amount due the parish treasurer as this was not the last year of the clerk's four-year term of office, and no determination of the amount that will be due, if any, can be made at this time.

N. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

O. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

Deposits

It is the District's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The District's deposits are categorized to give an indication of the level of risk assumed by the District at year-end. The categories are describes as follows:

- Category 1 Insured or collateralized with securities held by the Clerk or by its agent in the Clerk's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the Clerk's name.
- Category 3 Uncollateralized.

		Bank Balance 6/30/2007
Southern Heritage Bank	\$	416,417
Catahoula/LaSalle Bank		403,670
Sicily Island Bank		3,000
Total		823,087
Secured as Follows:		286 047
FDIC (Category – 1) Savaities hald be Bank in Claubia name (Catagory – 2)		286,947
Securities held by Bank in Clerk's name (Category – 2)		795,725
Uncollateralized (Category – 3)	<u> </u>	-0-
Total	p_	1,082,672

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

2. RECEIVABLES

The receivables of \$4,618 at June 30, 2007 are as follows:

		General
Class of Receivable		Fund
Civil Suits	\$_	4,618

Allowances for doubtful accounts are considered immaterial and therefore, are not presented.

3. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2007 is as follows:

	Balance 6-30-06		Additions		Deletions		Balance 6-30-07
Governmental Activities		-		m		•	50.000
Furniture & Equipment	\$ 72,870	Þ	-0-	7	-0-	2	72,870
Less Accumulated Depreciation	(51,009)		(14,574)		-0-	1	(65,583)
Capital Assets, Net	\$ 21,861	\$	(14,574)	\$	-0-	\$	7,287

4. PENSION PLAN

Plan Description. Substantially all employees of the Catahoula Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after the age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that for produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and relief Fund, 11745 Bricksome Avenue, Suited B1, Baton Rouge, Louisiana 70816, or by calling (504)293-1162.

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

Funding Policy. Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Catahoula Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 16.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Catahoula Parish Clerk of Court are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Catahoula Parish Clerk of Court's contributions to the System for the year ending June 30, 2007 was \$33,541, equal to the required contributions for each year.

5. POST RETIREMENT BENEFITS

The Catahoula Parish Clerk of Court provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Clerk's employees become eligible for these benefits if they reach normal retirement age while working for the Clerk of Court. These benefits for retirees and similar benefits for active employees are provided by an insurance company with monthly premium payments being made by the Clerk to the Louisiana Clerks of Court Association. The Catahoula Parish Clerk of Court provides 100 percent of the cost of the monthly premiums for active employees and 50 percent of the cost for retired employees. The Clerk of Court recognizes the cost of providing these benefits (Clerk's portion of premiums for active and retired employees) as an expenditure when the monthly premiums are due.

6. ACCOUNTS, SALARIES, & OTHER PAYABLES

The payables of \$3,483 at June 30, 2007 are as follows:

		General
Description		Fund
Accounts	\$_	3,483

7. OPERATING LEASES

The Clerk's Office has two operating leases. One lease is with GMAC for the lease of an automobile originated September 28, 2004, for \$481.70 per month for 36 months. Future lease payments are as follows:

Future Lea	ase Payments	Due
2008	\$	963
Total	\$	963

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

The second lease is with GE Express Financial Solutions for a Kyocera Mita copier. It originated August 25, 2005, for \$124.13 a month for 36 months. Future Lease payments are as follows:

Future Lease Payments Due					
2008	\$	1,490			
2009		248			
Total	\$ <u> </u>	1,738			

8. AMOUNT PAID CLERK

The clerk was paid \$69,549 salary, \$10,495 expense, and \$17,400 supplemental compensation for the year ending June 30, 2007.

9. EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH POLICE JURY

The Clerk of Court's Office is located in the parish courthouse. Expenditures for maintenance and operation of the parish courthouse are, as required by Louisiana law, paid by the Catahoula Parish Police Jury. These expenditures are not included in the accompanying financial statements.

10. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to taxing bodies and others follows:

		Bal anc e				Balance
		6-30-06		Additions	Reductions	6-30-07
Advance Deposit Fund	\$	409,213	S	245,500	\$ (228,271)	\$ 426,442
Registry of Court Fund		284,055		270,966	(268,000)	287,021
Total	\$ _	693,268	\$	516,466	\$ (496,271)	\$ 713,463

Required Supplemental Information

Statement of Revenues, Expenditures, & Changes in Fund Balance Budget and Actual General Fund

For the Year Ended June 30, 2007

	_	Budget Am	ounts		Budget to
	-	Original	Final	Actual Amounts Budgetary Basis	GAAP Differences Favorable (Unfavorable)
Revenues	_				
Fees & Charges	\$	397,437\$	411,000\$	410,572 \$	• •
Interest Earnings		-() <i>-</i>	-0-	4,373	4,373
Local Grants		-0-	-0-	3,811	3,811
State Grants		-0-	-0-	14,174	14,174
Other		-0-	-0-	2,191	2,191
Total Revenues	_	397,437	411,000	435,121	24,121
Expenditures					
Personal Services		397,437	335,000	296,505	38,495
Operating Services		-0 -	81,000	81,811	(811)
Travel & Professional Development		-0-	4,500	10,780	(6,280)
Intergovernmental		-0-	34,200	25,481	8,719
Total Expenditures	\$_	397,437 \$	454,700	414,577 \$	40,123
Net Change in Fund Balance				20,544	
Fund BalancesBeginning Fund BalancesEnding			\$ <u></u>	44,525 65,069	

Other Supplemental Information

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Janet T. Payne Catahoula Parish Clerk of Court Harrisonburg, Louisiana

We have audited the financial statements of the governmental activities, the major fund, and the fiduciary activities of Catahoula Parish Clerk of Court, Harrisonburg, Louisiana, as of and for the fiscal year ended June 30, 2007, which collectively comprise the Catahoula Clerk of Court's basic financial statements and have issued our report thereon dated July 20, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Catahoula Parish Clerk of Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Catahoula Parish Clerk of Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Catahoula Parish Clerk of Court's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the Catahoula Parish Clerk of Court's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting.

2007-I-1 Advance Deposit Fund Reconciliation

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Catahoula Parish Clerk of Court's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Catahoula Parish Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Catahoula Parish Clerk of Court's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Cost. We did not audit the Catahoula Parish Clerk of Court's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

John R. Vercher PC

Jena, Louisiana July 20, 2007

SCHEDULE OF FINDINGS AND QUESTIONED COST For the Year Ended June 30, 2007

We were engaged to audit the financial statements of the Catahoula Clerk of Court, Harrisonburg, Louisiana, as of and for the year ended June 30, 2007 and have issued our report thereon dated July 20, 2007. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2007 resulted in a qualified opinion.

Section I Summary of Auditor's Reports

a.	Report on Internal Control and Compliance Material to the Financial Statements
	Internal Control Material Weaknesses Yes No Reportable Conditions Yes No
	Compliance Compliance Material to Financial Statements Yes No
b.	Federal Awards (Not Applicable)
	Internal Control Material Weaknesses Yes No Reportable Conditions Yes No
	Type of Opinion On Compliance Unqualified Qualified Qualified Adverse Adverse
	Are the finding required to be reported in accordance with Circular A-133, Section .510(a)?
	☐Yes ☐ No
c.	Identification Of Major Programs:
	CFDA Number (s) Name Of Federal Program (or Cluster)
Do	llar threshold used to distinguish between Type A and Type B Programs:
Te t	he auditee a 'low-risk' auditee, as defined by OMB Circular A-133?

SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.) For the Year Ended June 30, 2007

Section II Financial Statement Findings Required To Be Reported In Accordance With GAGAS

No items to report.

Section III Internal Control

Reference	Description of Finding	Recommendation				
	Advance Deposit Fund Reconciliation					
2007-I-1	The Clerk's Office's automated system for accounting for advance deposit funds does not allow for the reconciliation of the liability of that fund with the cash on hand. Also, interest income has been allowed to accumulate in the fund causing unaccountable funds or cash to be held in this account or fund.	software to account for the advance deposit fund written to allow reconciliation of the liability of the fund with that of the cash on hand. Further, all				

Section IV Federal Awards Findings and Questioned Costs

Not applicable.

MANAGEMENT'S CORRECTIVE ACTION FOR CURRENT YEAR AUDIT FINDINGS

Reference	Description of Finding	Corrective Action Planned	Contact Person	Anticipated Completion Date
2007-I-1	Advance Deposit Fund Reconciliation	The Clerk's Office will change or purchase new software to allow the reconciliation of the liability of the Advance Deposit Fund with the funds on hand when the Office is financially able to fund such a endeavor. The Office will transfer accumulated interest income from the fund.	Janet Payne	June 30, 2008

MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

Legislative Auditor State of Louisiana Baton Rouge, Louisiana 70804-9397

The management of the Catahoula Parish Clerk of Court, Harrisonburg, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2006.

No items to report.